



**Auditor of State
Betty Montgomery**

**ROSSFORD/PERRYSBURG TOWNSHIP/JOINT ECONOMIC
DEVELOPMENT AUTHORITY/PORT AUTHORITY
WOOD COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Rossford /Perrysburg Township/Joint Economic
Development Authority/Port Authority
Wood County
932 Dixie Highway
Rossford, Ohio 43460-1333

To the Board of Directors:

We have audited the Balance Sheet of the Rossford/Perrysburg Township/Joint Economic Development Authority/Port Authority, Wood County, (the Port Authority) as of December 31, 2003 and 2002, and the related Statement of Revenues, Expenses, and Changes in Retained Earnings/Accumulated Deficit, and the Statement of Cash Flows for the fiscal years ended December 31, 2003 and 2002, as listed in the table of contents. These financial statements are the responsibility of the Port Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rossford/Perrysburg Township/Joint Economic Development Authority/Port Authority, Wood County, Ohio, as of December 31, 2003 and 2002, and the results of its operations and its cash flows for the period then ended in conformity with accounting principles generally accepted in the United States of America.

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The Auditor of State has billed the Port Authority for services rendered for the fiscal years ended December 31, 2001, 2000, and 1999 in the amount of \$6,665. As of the date of this report, the Port Authority has yet to pay any of the \$6,665.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2004 on our consideration of the Port Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 30, 2004

**ROSSFORD/PERRYSBURG TOWNSHIP/JOINT ECONOMIC
DEVELOPMENT AUTHORITY/PORT AUTHORITY
WOOD COUNTY**

BALANCE SHEET
AS OF DECEMBER 31, 2003 AND 2002

	2003	2002
Assets		
Current Assets		
Cash	\$ 2,680	\$ 1,236
Total Current Assets	\$ 2,680	\$ 1,236
Liabilities and Fund Equity		
Current Liabilities		
Intergovernmental Payable	\$ 6,818	\$ 6,818
Total Liabilities	6,818	6,818
Fund Equity		
Accumulated Deficit	(4,138)	(5,582)
Total Liabilities and Fund Equity	\$ 2,680	\$ 1,236

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**ROSSFORD/PERRYSBURG TOWNSHIP/JOINT ECONOMIC
DEVELOPMENT AUTHORITY/PORT AUTHORITY
WOOD COUNTY**

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS/ACCUMULATED DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
Operating Expenses		
Administration	\$ 28,596	\$ 30,602
Total Operating Expenses	28,596	30,602
Operating Loss	(28,596)	(30,602)
Non-Operating Revenues and Expenses		
Contributions and Donations	30,000	9,000
Other Non-Operating Receipts	40	
Total Non-Operating Revenues and (Expenses)	30,040	9,000
Net Income/(Loss)	1,444	(21,602)
Retained Earnings/Accumulated Deficit at Beginning of Year	(5,582)	16,020
Accumulated Deficit at End of Year	\$ (4,138)	\$ (5,582)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**ROSSFORD/PERRYSBURG TOWNSHIP/JOINT ECONOMIC
DEVELOPMENT AUTHORITY/PORT AUTHORITY
WOOD COUNTY**

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
Operating Loss	\$ (28,596)	\$ (30,602)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operations		
(Increase)/Decrease in Prepaid Items		119
Increase/(Decrease) in Accounts Payable		3,811
Net Cash Used for Operations	(28,596)	(26,672)
Cash Flows from Capital and Related Financing Activities		
Contributions and Donations	30,040	9,000
Net Cash Provided by Capital and Related Financing Activities	30,040	9,000
Net Increase/(Decrease) in Cash and Cash Equivalents	1,444	(17,672)
Cash and Cash Equivalents at the Beginning of the Year	1,236	18,908
Cash and Cash Equivalents, December 31	\$ 2,680	\$ 1,236

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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**ROSSFORD/PERRYSBURG TOWNSHIP/JOINT ECONOMIC
DEVELOPMENT AUTHORITY/PORT AUTHORITY
WOOD COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

1. DESCRIPTION OF THE REPORTING ENTITY

The Rossford/Perrysburg Township/Joint Economic Development Authority/Port Authority (the Port Authority) is a joint venture created on January 8, 1999 by the City of Rossford (the City) and Perrysburg Township (the Township), under Section 4582.21 et seq. of the Ohio Revised Code. The Port Authority is a body corporate and politic. It has territorial limits coterminous with the City of Rossford and Perrysburg Township.

Since statutes prohibit the Township from providing financial resources to nonprofit organizations, the City and Township formed the Port Authority. The City and Township can provide financial resources to the Port Authority, which passes these resources to the Rossford Arena-Amphitheater Authority (RAAA), a nonprofit organization.

The Port Authority operates under the direction of a five-member Board of Directors. Two members are appointed by the Board of Trustees of Perrysburg Township, two members are appointed by the Mayor of the City of Rossford with the advice and consent of the City Council, and one member is jointly appointed by the Board of Trustees of Perrysburg Township and the Mayor of the City of Rossford with the advice and consent of the City Council.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Port Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Port Authority also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The more significant of the Port Authority's accounting policies are described below.

A. Basis of Presentation

Enterprise Accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net

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WOOD COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
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income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the balance sheet. Equity (i.e., net total assets) is segregated into contributed capital and accumulated deficit components. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The accrual basis of accounting is used for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

3. DEPOSITS AND INVESTMENTS

At December 31, 2003 and 2002, the carrying amount and bank balance of the Port Authority's deposits was \$2,690 and \$1,236 respectively. The bank balances were covered by federal depository insurance.

4. FINANCING ACTIVITY

During fiscal year 2003 and 2002 the Port Authority received operating monies from the City of Rossford and Perrysburg Township totaling \$30,000 and \$9,000, respectively.

During 1999 the Port Authority passed through a \$5,000,000 loan from the Township. The RAAA must pass repayment of the loan through the Port Authority. The loan was due June 1, 2001. The RAAA was unable to pay scheduled interest payments and the principal balance on the loan. Since the Port Authority is only obligated to pay the Township when it receives payment from the RAAA, the balance sheet does not reflect an asset due from the RAAA or a liability due to the Township.

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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(Continued)

5. RISK MANAGEMENT

The Port Authority has obtained commercial insurance coverage for general liability and errors and omissions.

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Rossford /Perrysburg Township/Joint Economic
Development Authority/Port Authority
Wood County
932 Dixie Highway
Rossford, Ohio 43460-1333

To the Board of Directors:

We have audited the financial statements of the Rossford/Perrysburg Township/Joint Economic Development Authority/Port Authority, Wood County, (the Port Authority) for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 30, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Port Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Port Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of

Rossford/Perrysburg Township/Joint Economic
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Control Required by *Government Auditing Standards*
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expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report that we have reported to the Port Authority's management in a separate letter dated August 30, 2004.

This report is intended for the information and use of management and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.



Betty Montgomery
Auditor of State

August 30, 2004



**Auditor of State
Betty Montgomery**

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ROSSFORD PERRYSBURG TWP. JT. ECONOMIC DEV. AUTHORITY/PORT AUTHORITY

WOOD COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 5, 2004**